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Top 100 Consumer Questions

From Channel 5's
Midday Call-In

WCVB TV
BOSTON

With **Susan Wornick**
and
Barbara Anthony from

the Office of The Attorney General
Commonwealth of Massachusetts

GOVERNMENT DOCUMENTS
COLLECTION
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TABLE OF CONTENTS

TOPIC		PAGE
1.	RETAIL ADVERTISING AND RETURN POLICIES	1
2.	GENERAL RETAIL PRACTICES	7
3.	BILLING PRACTICES	16
4.	DEBT COLLECTION REGULATIONS	20
5.	LANDLORD/TENANT LAWS	24
6.	HOME IMPROVEMENT CONTRACTS/ HOME INSPECTION	30
7.	TELEMARKETING/TELECOMMUNICATION/ SWEEPSTAKES	33
8.	MOTOR VEHICLE LAWS, REGULATIONS AND WARRANTIES	40
9.	CREDIT REPORTS AND CREDIT BUREAUS	48
10.	CREDITORS AND CREDIT CARDS	52
11.	BANK AND LENDING PRACTICES	56
12.	FINANCIAL ADVICE	59
13.	HEALTH CLUBS	62
14.	CABLE INDUSTRY	64
15.	HEALTH-RELATED PRACTICES	66

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RETAIL ADVERTISING AND RETURN POLICIES

1. **Q. What are the laws in Massachusetts in terms of sales being final? Does it have to be written on the sales slip?**

   A. Massachusetts stores are allowed to set up any type of return policy they want, including All Sales Final.

   The key requirement of the law is that the policy be disclosed to you clearly and conspicuously before you plunk down your money--that usually means by way of a sign posted in the store.

   Putting the return policy on the sales slip generally does not meet the requirements of the law, because you usually get your sales slip after the transaction is over.

   If no policy has been disclosed to you, you can reasonably assume you can return the goods for a refund within a reasonable period of time.

2. **Q. I returned merchandise to a store and I got a store credit which is only valid for a year. Can the store do that? Shouldn't it be indefinite?**

A. Well, we don't know if it should be indefinite, but a year is way too short a period of time. In fact, state law requires that merchandise credits be good for a minimum of five years. Go back to the store, tell them you have spoken to the Attorney General's Office, and learned that their policy violates state law. If you still have a problem, and they refuse to offer you an extension, please give our consumer hotline a call.

3. **Q. If a store discloses "no cash refunds", are you stuck with the item if it does not fit, and there is nothing else in the store you want?**

A. You are stuck, we are sorry to say.

The only way to override a "no cash refunds" policy that has been properly disclosed to you, is in the case of defective goods.

A garment that does not fit is not defective.

One suggestion is try to sell your merchandise credit to someone else who shops at that store.

4. **Q. I know name brand medicines are regulated by the FDA but what about generic brands?**

A. The FDA regulates both name-brand and generic medicines, and the exact same standards apply to both.

Consumers should also know that advertising claims made about generic drugs are regulated just as brand-name drug advertising is regulated -- by the FDA and FTC.

And, finally, generic drugs do cost significantly less than their brand-name counterparts.

5. **Q. Some stores advertise an item on sale, but when you get there they are sold out. Then they try to sell you a higher priced substitute. What regulations do stores have to follow when they put items on sale?**

A. Under regulations of the Attorney General's office, a store must disclose "clearly and adequately" in its advertising if the supply of sale items is limited, or if the product is available only at designated outlets. Otherwise, a store is required to have a "sufficient quantity of the advertised product to meet reasonably anticipated demands."

To fulfill this requirement, the store must either provide a comparable product at a comparable savings, or provide a raincheck for the item, which should be good for at least 60 days.

If the store tries to switch you to a higher-priced item, the store may be involved in "bait and switch" tactics, which are prohibited under the Attorney General's regulations.

6. Q. **If a store continuously runs a sale, how can I be assured that the price is actually discounted?**

A. You may have answered your own question.

If an item is always on sale, that sale price really becomes the regular price, and there really is no sale.

To protect yourself -- comparison shop...find out what other sellers are really charging for the same item.

Under regulations of the Attorney General's Office, stores cannot have the same item on sale more than 45% of the time.

If you are aware of any major retailer which is running a constant sale, please call our consumer hotline to let us know.

7. **Q. I purchased something on Monday for $99.95, but it went on sale now for $84.95. Am I entitled to the difference?**

A. There is no state law that requires retailers to refund the difference if an item goes on sale just after you bought it at full price.

Many stores, however, have a price guarantee policy, and voluntarily give you back the difference if the item goes on sale within 30 days after you've bought it.

If they don't, but if they have a liberal return policy, you can always return the item for a full refund, and repurchase another one at the sale price.

8. **Q. What regulations cover the labeling of food products?**

A. Recently the Food and Drug Administration has issued new regulations concerning the nutritional labeling on food products.

These new regulations require food companies to label ingredients on a per-serving basis instead of a total content basis. This means that calories, sodium, sugars, and other ingredients are all supposed to be sold to us on a per-serving basis.

These new regulations are supposed to make it easier for consumers to know what they are buying and eating.

9. Q. **I recently bought an infant mattress and the tag said it was not flame retardant. Aren't there regulations against that?**

A. According to the Consumer Product Safety Commission, there is indeed a requirement that infant mattresses be flame retardant. This rule applies to crib mattresses, but not to pads that might be in portable carriers or carriages.

You should report such violations to the Consumer Product Safety Commission in Boston.

GENERAL RETAIL PRACTICES
(Layaway, Privacy, Etc.)

10. Q. A salesperson at a store apparently put the wrong price on an item. When I went to the register to pay for it, the manager said he could not sell it to me at that price. Is there a law that covers this?

A. If this scene took place in a supermarket, there is a law that says that the consumer can buy the item for the lowest price represented, unless that price is a gross error.

At stores other than supermarkets, it is illegal to represent that an item can be purchased for a particular price when such is not the case.

However, again, if there is a gross discrepancy that is clearly an error, the retailer would not have to honor the mistaken price.

11. Q. Is it legal for a store not to accept a check because I do not have a major credit card?

A. The Massachusetts Purchase Privacy Law limits the amount of personal information that can be written down when cashing a check. That law, however, does not change or limit a store's own check cashing

policy with respect to how many forms of identification a consumer must provide.

Remember, stores have no obligation to accept checks in the first place. So if they demand a picture ID or a major credit card or even two major credit cards, none of that is prohibited by the statute. Retailers just can't write down that credit card number.

12. Q. **If my telephone number is unlisted, do I have to write it on a check if a stores asks me to?**

A. Under the Massachusetts Purchase Privacy Law, if you want to pay be check, you can be required to write down <u>one</u> telephone number, but it is your choice as to which number that is. You can offer your work number or your home number.. You can't be required to provide both, and you can't be required to only provide the one of the store's choosing. It's your choice. If you don't want to provide either one, the store is not required to accept your check.

13. Q. **I thought the law prevented retailers from writing down your credit card number? How can a video store do it?**

A. The law has an exception when it comes to rentals, where in essence a security deposit is taken.

Whether it is a car rental or a video rental, the contract you sign probably has a provision that says you authorize the company to charge your credit card, if what you rent is not returned or is damaged.

14. Q. When I write a check at the store, they write down my driver's license number. Since that number is my social security number, aren't they breaking the law.

A. They are not breaking the law.

The law specifically allows writing the driver's license number on the check. Since that number is usually one's social security number, you can request a random number from the Registry for privacy purposes. They will give a free change of number at renewal time, otherwise there is a small charge to issue it.

15. Q. Can a store ask to see another form of identification when you make a purchase with a credit card?

A. Although a store cannot write down or ask you to write down personal information, such as your address or telephone or social security numbers, the store may ask you for identification for the sole purpose of

demonstrating that you are the real owner of the credit card.

For that reason, they may want a picture form of identification, to compare to the person holding the credit card.

This inconvenience really is for your own protection.

16. Q. While payments are being made, can your layaway be sold?

A. Under the Attorney General's regulations, a seller must put aside the actual item you are putting on layaway, or an exact duplicate. If this seller has another identical item for you, then that could be substituted. If, however, you were buying a unique item, he had no right to sell it and break the contract you had with the store. If the seller does not make it right, you can file a complaint with our office.

17. Q. I went to purchase some goods by check, but the store first called my bank to see if I had enough money in the account to cover it. Is that legal?

A. Under the purchase privacy law, a store is not forbidden from trying to determine whether there is or is not enough in your account to cover the check. What the store cannot do under the law, is to get you to sign an agreement that your credit card would be charged, if your check bounced.

18. Q. How long is a gift certificate good for? It does not say on the slip.

A. Under Massachusetts law, gift certificates must be good for at least 2 years, and merchandise credit slips have to be good for a minimum of five years. Both should state expiration dates on them.

19. Q. Is it a violation of law for a merchant to require a minimum purchase when using a credit card?

A. It is not illegal, but is usually contrary to the agreement the merchant signed with the bank that accepts his Visa and Mastercard deposits.

Try to find out what bank the merchant uses, or complain directly to your Mastercard or Visa issuer.

20. Q. If a company records their telephone lines, do they have to tell you that the conversation is being recorded?

A. Absolutely yes. In fact, it is a crime not to get your permission to record the conversation in the first place. In some states, as long as one party knows the conversation is being recorded, that is enough. In Massachusetts, on the other hand, both parties must be made aware of the recording. Very often when calling certain utilities, or certain health insurance companies, for instance, the call is intercepted by a recording which says that the telephone call is being monitored or recorded. It cannot be done secretly.

21. Q. I ordered tickets from TicketPro, my credit card has already been charged, but I am not going to receive the tickets until 10 days before the show. Can they charge me before they actually send out the tickets?

A. There is no law in Massachusetts that requires a seller to provide the goods before they can enter a charge on your credit card. So, the answer is yes--sometimes you have to pay before you receive the goods.

22. Q. Does a retail store have to accept manufacturer's coupons?

A. A lot of people don't know this, but a store does not have to accept coupons.

It is completely up to the store's management whether to accept them, and many small stores don't.

If using coupons is important to you, check the store's policy, and don't assume they are accepted.

23. Q. What limits, if any, regulate the price a ticket agency can charge for tickets?

A. There is a state law which puts a $2.00 limit on the amount that a ticket agency can charge over the face value of the ticket.

Unfortunately, there is a loophole in the law that you could drive a truck through.

The loophole allows ticket agencies to recover their costs in obtaining the ticket, and no one knows what their costs actually are.

Our advice is to try to purchase tickets directly from the box office when an event is first announced.

24. Q. I put down a deposit on a layaway plan. I want to cancel the order now. Is the store obligated to return my money?

A. It is an unfair or deceptive practice for the store to fail to disclose or to misrepresent its policy with respect to a "lay away" plan.
Therefore, the store should disclose its refund, return or cancellation policy about the lay away plan before you enter into the agreement concerning the plan, generally by posting its policy in the store.

If the policy is clearly posted, the store can have whatever policy it decides is appropriate, although a store must repair, replace or refund money paid for a defective item. This may mean that you lose your deposit and payments made on the item.

If there is no posted policy, and you were not told by an employee, or given any document before you entered the lay away which described the store's policy, you should be entitled to a refund.

25. Q. I was recently in a retail store where the product scanned higher than the price marked. Under the law, am I entitled to one free?

A. What you are talking about is a scanner guarantee that some supermarkets have.

What this means is that if the item scans higher than its actual price, you get it for free.

However, this is just a voluntary policy that some stores have.

They are not required by any law to do this.

They are required, however, to scan accurately and can be fined for scanning mistakes.

So, if you find scanning mistakes, you should report them to store management, as well as to the state Division of Standards which imposes these fines.

BILLING PRACTICES

26. Q. Is there a statute of limitation on billing for bad debts?

A. There is no statute of limitations on billing for bad debts.

But there is six year statute of limitations for lawsuits to collect on bad debts.

Theoretically, you still owe the money, the company is just prevented from suing you for it.

As long as they follow our debt collection rules about not harassing you, they may continue to make reasonable collection efforts, short of going to court.

27. Q. Is it true that local phone companies cannot cut off your phone service for non-payment of long distance charges?

A. To the best of our knowledge, that is not true. You may be thinking of a law recently passed, and a policy of New England Telephone that says your local service cannot be shut off if you have outstanding bills for 900 numbers--all those pay through the nose calls! Don't confuse 900 numbers with regular long distance charges you might incur when calling family or

friends. There is no realistic way to prevent you from calling long distance. Therefore, if you don't pay for the calls, all your phone service can be discontinued.

28. Q. What can the local water commission do if you protest your bill?

A. Just like any other utility, they can shut off your water if you don't pay. There are exceptions made if you are seriously ill or are a senior citizen. There is also an elaborate complaint procedure at most municipalities including a hearing. During the hearing process however, you must pay that portion of your bill which is not in dispute.

29. Q. I thought an 800 number meant the call was free. If this is the case, why are people receiving bills after dialing an 800 number. Are there any regulations to protect consumers?

A. If the number called really was an 800 number, under federal law, there is no charge for the call, unless you have agreed in advance to pay a charge.

If this was a 900 number call, the charges would appear on your telephone bill.

In either case, contact your credit card company or NYNEX, to dispute the charge as not being authorized.

To prevent this kind of problem in the future, ask the telephone company for their free 900 number blocking service. If you were illegally charged for an 800 number call the Attorney General's Consumer Hotline or the Federal Trade Commission.

30. Q. Somehow, a magazine company started sending us their magazine. We keep getting bills for a magazine we never ordered. What can we do?

A. Both state and federal law say that you may keep any unsolicited goods you receive, and treat them as a gift. To be fair, though, and to help stop the billing, you should contact the company to point out that there must be some mistake, indicating that you never ordered the magazines.

31. Q. How much time after a bill is due can late charges be assessed?

A. Unfortunately Attorney General Harshbarger's efforts to defend the Massachusetts law banning late charges was thwarted by the US Supreme Court.

Now, as long as the late fee is disclosed to you in your credit agreement, and the amount is not unconscionable, it can be assessed against your account as early as the day after the due date.

Again, read your agreement to see the exact timing for your loan or credit card.

DEBT COLLECTION REGULATIONS

32. Q. If you owe money to a company, can they attach your wages without going to court?

A. Absolutely not.

An attachment on your wages can only be done through the court system. And, the debt collector must inform you that legal action will be started before monies can be taken from your pay check.

33. Q. Does a collection agency have the right to ask personal questions?

A. There are no specific laws that prohibit a collection agency from asking personal questions.

However, questions which intimidate, embarrass, or threaten you are in violation of the Attorney General's Debt Collection Regulations.

And, remember you are never required to answer questions asked by a collection agency. You can simply refuse to answer.

34. Q. How do you end harassing phone calls from creditors who call you at work or late at night?

A. Under the Attorney General's Debt Collection Regulations - you the consumer have the right to ask the creditors to stop calling you at work.

Once you ask - the creditors must stop calling you at work for at least 10 days - if you request orally. If you put it in writing - they must stop completely.

In general, debt collectors can only call during normal hours - 8:00 a.m. to 9:00 p.m.

35. Q. I got a call from a collection agency and the man wouldn't tell me his name or the name of his company. Is that legal?

A. No, that is not legal. Under the Attorney General's Debt Collection Regulations, the debt collector must disclose either the name of the debt collection agency or the name of the creditor for whom she is collecting the debt. She must also disclose her personal name. You should be aware, however, that she is allowed to give you a fictitious name instead of her own, as long as that is the only name she goes by in her work, and the company can identify her by use of that name.

36. Q. How often can creditors contact you when they are collecting on a debt?

A. Under Massachusetts law, which applies both to debt collectors and the original creditor, you cannot be contacted more than two times in any seven day period.

37. Q. A debt collection agency continues to contact my in-laws regarding my debt. Can they do that?

A. A debt collection agency cannot tell third parties about your debt.

They can, however, call neighbors or relative to inquire about your whereabouts -- as long as they don't say it is concerning a debt.

If the particular agency you are dealing with has crossed the line, please give the Attorney General's Consumer Hotline a call -- and we'll try to help.

38. Q. If a debt is discharged in bankruptcy court, can the company come after you at a later time?

A. A completed chapter 7 bankruptcy will discharge most of your debts. While you are not prohibited from paying debts that have been discharged, creditors are

generally not allowed to try to collect debts that have been discharged.

However, some of your debts will not be dischargeable in bankruptcy, including child support and alimony, government penalties, recent tax and student loan debts, and injuries caused by drunk driving. Also, if you forget to list a creditor who does not get notice of bankruptcy, that debt might not be dischargeable. In addition, during the bankruptcy, a creditor may be able to argue successfully that a debt is not dischargeable because it was incurred through fraud, false pretenses, or willful, malicious injury.

In short, there are some debts that you may not be able to discharge in bankruptcy. If you have any questions, you should ask your bankruptcy attorney.

39. Q. I signed a lease for an apartment and changed my mind three days later. The landlord is refunding all of my deposit except for the coast of re-advertising the apartment. Can he do that?

A. We think you are very lucky.

If you signed a lease for the apartment, and the landlord accepted it, you have a binding contract.

There is no three day right to cancel apartment leases.

The landlord may well have turned away other prospective tenants believing the apartment was taken by you.

If the landlord has to re-advertise the apartment because you changed your mind, the least he is entitled to is the advertising cost, and technically, he could hold you responsible for any lost rent.

Just as a general tip: Please do not sign a lease or put down a deposit on an apartment you are not sure about. There is no guaranteed right to a refund if you change your mind.

40. Q. I am being evicted. Am I entitled to my security deposit back?

A. Whether you get any money back depends on whether you were behind in rent.

Under the state security deposit law, landlords can withhold the security deposit not just for damage to the apartment, but for unpaid rent as well.

If you were not behind in your rent, you are entitled to receive your security deposit back within thirty days after the termination of your tenancy.

41. Q. What do I do if my landlord does not pay me interest on my security deposit?

A. First, your security deposit has to be in a Massachusetts bank in an interest bearing escrow account and you are entitled to 5% interest, or the actual interest, if that is less, per year. The landlord should automatically pay you the interest annually.

If he or she fails to do that, you are entitled to deduct that amount from your next rent check, at least 30 days after your annual lease anniversary.

To be safe, you should tell the landlord in writing that you are making the deduction, so it does not appear you are failing to pay the full rent.

42. Q. I moved out of my apartment on August 1, and have not received interest on my first and last month's rent. What can I do?

A. Well, this is a question I bet a lot of people have because so many apartments turn over on September first in Boston.

First, there is no such thing as interest being required to be paid on "first month's rent".

The law provides that landlords must pay interest on security deposits and last month's rent paid in advance, not on the first month's rent.

The landlord is required to pay interest within 30 days of the anniversary of your tenancy. If you did not receive it, call or write the landlord with your new address.

If you get no response, you can sue in Housing Court, and automatically be entitled to triple the amount of interest on your security deposit.

43. Q. I live in an apartment building and we're having major problems with our heating and water systems. Our landlord is giving us the run around. What can we do?

A. You are entitled to a habitable apartment in exchange for your monthly rent payments. If the heat in your unit if falling below 68 degrees during the day, or below 64 degrees at night after 11 p.m., the landlord is violating the State Sanitary Code. Even if the landlord is making a good faith attempt to correct the problem, your obligation to pay rent may be diminished proportionately for what the value of your apartment currently is given the poor conditions.

Your best bet is to contact your town Board of Health, and ask that a housing inspector be sent out. If he or she finds violations, the landlord will be cited, and be required to fix the problem immediately. Get a copy of the inspector's report for your records.

44. Q. Our next door neighbors are disrupting the entire building because of their noise. What are my rights as a tenant?

A. First, you have to make the landlord aware of the problem, and putting your complaint in writing is probably a good idea.

You should see if there is a noise provision in your lease, and therefore probably in their lease, that sets specific times when loud noise violates the lease.

If the landlord fails to take action, you may have a claim that there was a breach of the covenant of "quiet enjoyment", if living in your unit has become intolerable.

You may then be entitled to damages from your landlord.

Hopefully, you won't have to pursue that, because your landlord will take action.

45. Q. **My tenants have just given me notice that they are moving out in two weeks, but their lease does not end until the end of next month. Do I have the right to keep the security deposit? What are my rights.**

A. Generally, under a lease, the tenants are responsible for the rent for the entire lease term even if they move out early.

But its in the landlord's interest to have the apartment re-rented when someone moves out. You should advertise the unit right away.

If despite your best efforts you can't re-rent, you can use the security deposit to cover rent owned under the lease.

You can also sue the tenant for any additional rent that is owed until the end of the lease term.

46. Q. I have a two month old daughter and I think my apartment may have only been partially deleaded. Who can I call to find out my rights as a tenant?

A. You are certainly a wise parent to be worried about lead poisoning for your daughter. It can be a very serious matter. Generally, landlords are required to delead apartments occupied by children. To get more information, you can call your local board of health or the Massachusetts Childhood Lead Poisoning Prevention Center at 1-800-532-9571.

HOME IMPROVEMENT CONTRACTS/ HOME INSPECTION

47. Q. I hired a home improvement contractor to put new shingles on my home. In doing his work, he damaged the windows and ruined my lawn. I have already paid him most of the money. What recourse do I have?

A. First, you need to know your rights. If you made the contract after July 1, 1992, and the contractor is registered with the Department of Public Safety, you may be eligible for relief under the Home Improvement Contractor Law.

Under this law, there is an arbitration program for consumer-contractor disputes.

There is also a guaranty fund as a last resort for consumers who have no other way of getting money back.

You should also talk to the contractor about your concerns. He may be willing to adjust his price to take care of repairing the damage -- and don't pay the rest.

Also -- there's the option of pursuing this in small claims court.

48. Q. I am having renovations done on my house. What should I look for in a contractor?

A. The foremost thing to check now is whether the contractor is properly registered with the state. As of July 1, 1994, most contractors have to be licensed in order to perform home repairs. You can check on a contractor's registration by calling the Department of Public Safety.

In addition, check the contractor's complaint history with the Attorney General's Consumer hotline and with the Better Business Bureau.

Be sure to check out the contractor's references, and get everything in writing. It is always a good idea to get three estimates from different contractors before you pick the winner.

49. Q. We had our home inspected when we bought it and the inspector said it was not a home that would have water problems. Now we have water problems. Can we hold the inspector liable?

A. Home inspectors are responsible for their negligent actions. If there was some obvious sign of water damage or potential damage that the inspector missed, you may be able to hold him liable. However, she is not liable for hidden defects that a one or two hours visual inspection could not reasonably uncover. Also,

an inspector is not an insurance policy -- and cannot be held liable for unforeseen damage. You should read the inspection report and the limitations it contains as to undiscovered defects.

TELEMARKETING/ TELECOMMUNICATION/SWEEPSTAKES

50. Q. I called this 800 number I saw in the newspaper which advertised job listings. A machine answered the phone and stated that I had to call this 900 number. Is this legitimate?

A. You should be very suspicious of "800" numbers that suddenly become "900" numbers.

Since you would be charged for a 900 number call, you would actually be paying up front for an employment service that you know nothing about.

Best Advice: Don't call 900 numbers unless you know what you are being charged for and what you are getting for your money.

51. Q. I just received a chain letter in the mail promising me $50,000 if I sign my name, send $2.00 to the name at the top, and mail 10 copies to my friends. Is this a scam? Is it legal?

A. The short answer is yes, it is a scam, and no, it is not legal.

It's a scam because in order for you to make money, the people behind you in the chain are going to have to send you money. If they break the chain, you get nothing.

Not only that, but this is illegal under state law which says that these letters are really lotteries, i.e., payment of a price for the chance of a prize.

Penalty for violating the law is a fine of up to $3,000 or imprisonment for not more than three years.

In short, save your money and don't get involved.

52. Q. I have been getting mail that says if I call a 1-900 number that I can win a prize. Are these offers legit?

A. For the most part, the answer is no. You should never have to pay a price (the cost of the 900 call) in order to collect a prize. Every legitimate sweepstakes has a "no purchase necessary" means of entry.

You should never feel compelled to buy a product, give out your credit card number, or to dial a 900 number in order to see if you have won something. Best advice: When telemarketers of this type call -- HANG UP.

53. Q. What are the laws relating to 1-900 sweepstakes?

A. A couple of years ago, the Federal Communications Commission came out with rules governing 900 numbers. They basically provide that most 900 number calls must begin by telling you the price of the call, the average length, and that you can hang up without charge before the call continues. The regulations also provide that your local telephone service cannot be shut off if you don't pay a disputed 900 number bill, and that you can request free blocking of 900 number calls from your local phone company.

With respect to 900 number sweepstakes, unless it is a game of skill, there must always be a free means of entering, as by sending in a postcard. If you have to pay any money to receive a prize, the promotion is illegal in Massachusetts.

54. Q. I received a promotion in the mail stating that I have won a substantial vacation package. How do I check out the legitimacy of this offer?

A. To check on the legitimacy of the prize, use some old fashioned common sense. Here are some things to look out for:

1) Offers that say you entered a contest, which you have no recollection of entering. This is not a good sign.

2) Offers that give you a "list" of possible vacation prizes. Chances are pretty good that the prize most consumers win has loads of red rape and is not worth very much.

3) Offers that require you to give credit card numbers, bank account numbers, or social security numbers. Stay away from those.

4) Offers that only last for that day. If the deal is legitimate, no one will try to hurry you into it before you have a chance to think it over.

Again -- common sense and caution. If it seems too good to be true, it probably is.

55. Q. What can you tell me about sweepstakes offers?

A. If it costs you more than the price of a stamp, if you have to buy anything, it is illegal and don't do it.

A word of caution, in particular, for senior citizens, our experience is that often times telemarketing and bogus sweepstake promoters target mailing lists of senior citizens. Just walk to the trash can and throw it away.

56. Q. I have seen TV ads for personal mortgage companies which have millions of dollars to lend. How can I find out about their fees and whether they are reputable?

A. Only the company itself can tell you about their fees.

Be sure to ask about application fees, points, broker fees, closing costs, etc., as well as the rate of interest they are going to charge.

As to whether the company is reputable, you can check with the state Division of Banks, which now licenses mortgage companies; as well as the Attorney General's Office.

Since many of these companies come from out of state, you might also want to check with the banking commissioner in their home state.

57. Q. For $35, a company will send me a book listing companies with work-at-home opportunities. How do I know if it is legitimate?

A. Everyone should be cautious in dealing with these so-called "work at home" opportunities.

You may be required to pay a hefty investment fee for supplies or advertising, and there may be a long waiting period before you see any return on your investment -- if ever.

Many "work at home" offers are schemes, such as "envelope stuffing" deals that do not bring in very much income.

A better idea, would be for you to save the $35.00 and visit your public library or bookstore, and look for books on starting your own business or businesses which can be run from home.

58. Q. I signed up for a chance to win tickets to Florida. I then got a call that I won, but had to go to see a timeshare first. Will I get my tickets afterwards?

A. Many timeshare offers are not what they seem, unfortunately.

You will most likely receive a certificate for a vacation in Florida, but there are going to be strings attached. Make that ropes attached!

Either the airfare will not be included, or the hotels will not be included; or you'll have to buy one air ticket at full price to get the second air ticket.

On all these promotions we offer this warning: You are not going to get something for nothing -- and many times you get nothing for something.

59. Q. If you receive an out of state certificate saying that you have won a car and a watch, do you have to pay UPS shipment?

A. This sounds very suspicious. Many out of state marketers are sending prize letters and postcards to consumers that seem too good to be true. When you call, they will say that you only have to pay for shipping or you only have to pay for tax or you only have to buy some cosmetics. In all of these cases, you are asked to pay hundreds of dollars for a prize that is virtually always worth much much less. READ MY LIPS, THROW IT OUT.

Prize deals like this are scams. Wake up and hear all the warnings that have been on television and in the newspapers. You haven't won anything but a chance to lose your hard-earned money.

60. Q. Can an auto body shop begin to work on your car without your permission and without giving an estimate for the work? What recourse do I have if they violate the law?

A. Before your car gets fixed, if your insurance company is paying, the law requires a written appraisal of repair costs made by a licensed appraiser. If you are paying for the repairs yourself, you should also ask for a written estimate.

Unauthorized repairs are made at the risk of the auto body shop. An auto body shop is prohibited by statute from, without lawful authority, preventing the owner from recovering the vehicle.

Auto body shops must be registered with the Division of Standards, and display their registration in the shop.

61. Q. I purchased a used car with 88,000 miles on it. On my way home from the dealership the clutch snapped. I called the dealer and he said "tough luck." What can I do?

A. You can do a lot.

In this case it is tough luck for the dealer, since you are protected by the Used Vehicle Warranty Law, which gives you a 30-day or 1,250 mile warranty on your car.

There is also an "implied warranty" that applies for "a reasonable period of time," which certainly covers the ride home from the car lot.

You should go back to the dealer and demand your warranty and repair.

If that doesn't work, call the Attorney General's Hot Line and file a complaint with our office. We can help you with this.

62. Q. **I recently purchased a car from a private party. I believe she withheld information from me, and now she won't refund my money. What can I do?**

A. In car sales between private parties, the seller has an affirmative obligation to disclose to the buyer any known defects which would substantially impair the car's use or safety.

If you discover the defect within 30 days and can prove that the seller was aware of such defect, you are entitled to a full refund.

If the seller fails to give you a refund, you can sue him/her in small claims court.

63. Q. **I bought a van from a dealership and three months later when I was having it checked, I learned that it had 150,000 miles on it, not 50,000 as the odometer says. The dealer says I am crazy. What can I do?**

A. First, it is a criminal offense in Massachusetts to turn back an odometer. If you have some concrete proof that the odometer has been spun back, not just an opinion from a repair person who says the car looks like it was driven more than 50,000 miles, you need to bring that proof to the attention of the dealer. If the dealer still refuses to give you a refund, please contact our office.

It is possible that the dealer did not turn back the odometer himself, but purchased the car with the odometer already turned back. Even if that is the case, the Attorney General's office has taken the position that the dealer warranted this car to you as one with 50,000 miles, and if that turns out not to be so, you may be entitled to a refund.

64. Q. If I purchase a car and pay by cash, will I get less of a warranty than if I financed the purchase?

A. The manufacturer's warranty on a car is the same no matter how you pay for your car.

You may lose some leverage over the dealer if you pay cash, because under certain circumstances, you might have a right to stop payments to the entity which financed your car if your car develops problems.

Other than that, there should be no difference whether you pay by cash or credit.

65. Q. What is the lemon law on a private sale of a used car?

A. Here's the quick answer. The buyer is required to disclose any defect he or she knows of that would

impair the safety or substantially impair the use of the car.

If you discover a use or safety defect within 30 days of purchase, and can prove the seller knew about it, but did not disclose it, you are entitled to your money back.

There is also the Lemon Aid law that promises you a refund, if you fail inspection and repairs necessary to make it pass are going to cost more than 10% of the purchase price.

66. Q. Do automobile dealers have to furnish the name of the person who owned the used car before you?

A. They absolutely are required to under regulations of the Attorney General's Office.

In fact, they have to give you the previous owner's address as well as their name.

If you have a problem obtaining this information, please call the Attorney General's hotline.

67. Q. I purchased a new car recently. I have returned it to the dealer three times for the same defect. I would like a new car. What are my rights?

A. Under the new car lemon law, it appears you are on the road to obtaining a new vehicle or a refund.

You have already fulfilled one of the main requirements of the law -- You've had your car repaired three times for the same substantial defect.

You have to do one more thing -- send the manufacturer that is called a "final demand" letter.

When the manufacturer receives the letter, they have seven days to fix the car.

After the seven days, if the vehicle is not fixed, then you have the right to a new vehicle or a refund.

You should contact the Attorney General's Consumer Hotline to obtain a pamphlet which outlines your specific rights and includes a sample 7-day letter.

68. Q. Is there a cap on what a car repair shop can charge? Must they stick to the estimate?

A. There are no price controls on car repairs, so a dealer can charge any price, as long as it is not unconscionable.

Under the Attorney General's Auto Regulations, price must be disclosed to you before the work is done, and the shop must receive your authorization before proceeding.

As to your question about estimates, under our regulations, a shop cannot charge more than $10 above the estimate, without your prior permission.

If you have been overcharged, please call the Attorney General's Consumer Hotline, to request a complaint form.

69. Q. What do I have to do to legally sell my car?

A. There are several things that you need to do:

First, you are required by the used car lemon law to tell a prospective buyer of any known defects in the car.

For example, you must tell the buyer if you know the car needs brake work or other repairs affecting the car's use or safety.

Second, you need to sign over title and accurately fill in the odometer disclosure statement on the title before you give it to the buyer.

Third, you need to give the buyer a sales slip which contains all important information about the car and the sale.

70. Q. A car dealer is reselling a used car that I just returned under the Used Car Warranty Law. Is that legal?

A. Under the new car lemon law, a dealer may not resell a returned car again in Massachusetts, unless a Resale Vehicle Notice is posted in the car window, telling you when the car was sold, why it was returned to the manufacturer, and what repairs have since been performed on the vehicle.

Under the used car warranty law, there is no posted notice requirement. However, it is unfair or deceptive for a dealer to fail to disclose relevant information to a consumer which the consumer might rely on in making a decision to purchase a car. Certainly if there are unrepaired defects, the consumer should be told about them.

CREDIT REPORTS AND CREDIT BUREAUS

71. Q. How do I obtain a copy of my credit report?

A. If you've been denied credit because of a credit report, you may obtain a free copy of the report from the credit bureau that was responsible for the denial of your credit.

Other credit bureaus will send you a copy of their report, but they will charge you a fee for this service.

There are three major reporting agencies, TRW, Equifax and Trans Union.

For information on how to contact them, you can call the Attorney General's hotline.

72. Q. I am being denied credit because the credit reporting agency lists me as having both unfavorable credit and excessive credit inquiries. What can I do to establish a more favorable credit rating?

A. You should avoid having too many companies inquire about your credit history.

When you apply for credit, it is recorded by the credit bureau for two years as a credit inquiry. If you have

a lot of inquiries on your report and few approvals then you are more likely to be denied credit by the next company.

So, be choosey when you apply for credit. First, you may want to look into a secured credit card with your bank. Also, you may want to try for a department store card, sometimes these are easier to get. Ultimately be patient. It will take time.

73. Q. Can unpaid medical bills be recorded on your credit report?

A. Yes, unpaid medical bills can be recorded on your credit report just like any other unpaid bills.

Hospitals and doctors have a legal right to collect for services rendered, and the same legal recourse is available to them as to any other creditor.

Hospitals and health care providers will turn your account over to a debt collector and unpaid medical bills can damage your credit history.

74. Q. There is a discrepancy in my credit report. How can I remove the discrepancy?

A. You need to write to the credit bureau. The three major credit bureaus in the U.S. are TRW, Equifax and Trans Union.

They are required to re-verify that piece of information -- usually within 30 days.

If they can't re-verify it, it gets removed from your file.

If they insist it is correct, you are allowed to put a short statement of your disagreement in the file.

75. Q. I just finished correcting an error on my credit report with TRW. Do I have to do the same with both Trans Union and Equifax, or is it done automatically?

A. You will need to contact both other companies to correct the information. Also, if you know from a denial of credit that other companies have erroneous information, you will need to contact them as well.

Although reporting agencies may have some of the same information about you in your files, there is no guarantee that updated information will reach all of them, so it is wise to write to each of them.

76. Q. I am thinking of using a "credit doctor" who says that he can wipe my personal bankruptcy off my credit report. Should we pay him $200 to do this?

A. No, no and no.

Bankruptcies remain on your credit report for 7 to 10 years, based on federal and state law, and credit fixers cannot have this information legitimately removed, nor can they have any legitimate poor rating changed to a good rating.

What many of these companies do is bombard the credit bureau with challenges on every piece of information in your report.

If each piece of information cannot be verified within 30 or so days, it must be removed from your report.

What you may not realize is that credit bureaus are onto the scam, and refuse to reinvestigate when the request comes from a credit doctor challenging everything.

Steer clear.

CREDITORS AND CREDIT CARDS

77. Q. I received a letter from a credit card company stating that I had been pre-approved for a gold card. The only catch was that I had to send the $30 annual fee up front. Is this legal?

A. No. You are right to question any promotion that asks you to send money up front for a product or service or, as in this case, a credit card.

This "pre-approval" letter is probably just a solicitation, not a firm offer of credit. You should never have to pay any "annual fee" until you actually become a card holder and have use of the credit card.

78. Q. Is it legal for a credit card company to do a credit check on you without your knowledge, and then send you a pre-approved application?

A. The answer is yes. Current law specifically allows businesses to pull a credit report on any consumer with whom they are contemplating doing business. There is a bill before the legislature currently that would allow consumers who do not want their account "pre-screened" as it is called, to request that. On the other hand, pre-screening is a good way to hear about credit cards you might not have heard of before, some offering no annual fees or low interest rates.

79. Q. I received a "pre-approved" credit card solicitation -- but they denied me the card. Is that legal?

A. You've got to look carefully at the solicitation to see if there is any weasel language.

Many of these offers say that card issuance is subject to a final credit check or some other contingency.

If the offer contains no "ifs, and, or buts," and they deny you credit, the offer is deceptive...and you should send it into the Attorney General's Office.

80. Q. How safe is it to give your Mastercard number over the phone, especially to a 1-800 number?

A. Generally, if you are calling a company you know to order merchandise from their catalog, it is probably safe to provide your credit card number over the phone.

Where you really have to be careful, is giving your credit number or bank account number, for that matter, to someone who has called you, whom you do not know. Don't do it.

And here's a tip, a little out of the ordinary. When you phone in an order to an 800 number or other order number, do it on a corded telephone, not on a cordless phone. Crooks, with the right scanning

equipment, can listen in on your cordless conversations, and without your knowing could obtain your credit card number.

81. Q. I was charged a late fee on my store credit card. Isn't that illegal?

A. Unfortunately, it used to be illegal, but is now allowed.

Attorney General Scott Harshbarger sued Discover Card over this very issue, but the Supreme Court said in essence that states cannot control late fees imposed by out of state banks.

Recently, the state legislature abolished the late fee ban even for in-state credit card issuers -- the result is unfortunate for consumers.

If you don't pay your credit card bill on time, you can be hit with a late fee.

82. Q. Will a secured card repair bad credit? Where does the deposit go?

A. First, we should explain what a secured credit card is.

You open a bank account with a certain amount of money, and the bank issues you a conventional credit

card with a limit in relation to that amount. It is a good way for consumers with difficulty in obtaining a conventional card to get one.

It will have no effect on your past bad debts which stay on your record for years, but it will help begin to show that you are making current payments on a new account in a timely manner. In short, it will help improve your credit, but not fix it.

83. Q. Lately Mitsubishi dealers have been advertising "all credit applications are accepted." Does that mean they approve all interested consumers?

A. No, it does not. Frankly, it does not mean much of anything, except that the dealer will not refuse to take an application for credit.

An application for credit is reviewed by the possible creditor, a bank or finance company, to see if you fit within the creditor's guidelines to qualify for a loan.

You may be denied credit if the creditor feels you will not be able to make the payments after looking at your available income.

If you feel that this sort of advertisement caused you to apply for credit somewhere, which was then denied, please contact the Attorney General's office.

BANK AND LENDING PRACTICES

84. Q. Can a bank charge you to deposit money in your account?

A. The answer may surprise people...yes. You should always check when you open an account to see what the various fees are, as well as any minimum balance requirements to avoid fees.

85. Q. I applied to refinance my home for 7.7%, locked in the rate, but then the rate went down. The bank won't give me a lower rate. Can they decline to give me a lower rate?

A. Yes. When a consumer locks in a rate with a lender, you and the lender are making a contract that in essence says, whether the rate rises or falls, the contract will be written at today's rate. Obviously, it is wise to lock in a rate when the rates are rising, to protect yourself from the increases. It is generally better to let the rate float, when rates are falling.

You decided to lock, and rates went down. You can walk away from the deal now, lose your application fee, and not be forced into accepting the higher rate. You could also go through with the transaction, and then use your three day right to cancel, if it applies in your situation. You should try to negotiate with the

bank, to see if they will compromise on the rate -- giving you a lower rate, but not the actual rate that is currently available.

86. Q. I paid off my student loan in full in 1990, but have never been given credit for my last payment. They say I am in default. What can I do?

A. You need to find out which government agency handled your loan. It may very well be the Student Loan Marketing Association, known as Sallie Mae. Call their 800 number and speak to a representative. They have all their accounts listed by social security number. If there is a dispute about the last payment, send them a copy of the check you used to make that payment--both front and back. Once they receive it, you will have to hound them to make sure you receive the proper credit.

Ask for your promissory note back and have them mark it "paid in full". Someone in my office has been trying since November to get his paid in full note back from them--and seems to be a near impossible task.

If it is a second mortgage, the company -- even if it is out of state -- is required to provide a copy of the A.G. Mortgage Disclosure Form listing all fees, costs, and the interest rate.

If it is a first mortgage, insist that they give you this same information before the closing.

As to whether the company is reputable, you can check with the state Division of Banks, which now licenses mortgage companies as well as the Attorney General's Office and the Better Business Bureau.

Since many of these companies come from out of state, you might also want to check with the banking commissioner in their home state.

FINANCIAL ADVICE

87. Q. When you have insufficient funds can you still use your checking account?

A. No, no, and no.

To deliberately give someone a check that you know will bounce is a crime. It is called larceny by check.

Many retail stores who wind up with bounced checks pursue their customers through the courts, and file criminal complaints against them.

Don't put yourself in a position to violate the law. If you don't know if there is enough money in your checking account, don't use it. Pay by credit card, or good old fashioned cash.

88. Q. I am in need of some advice on how to consolidate my bills and reduce my financial burden. Who can I turn to for help?

A. First, if your bills are not paid up to date, contact your creditors and explain your difficulties. They may be willing to renegotiate the terms of your payment agreements.

There are a number of agencies that offer credit counseling. These agencies will help you set up a budget and even negotiate with creditors on your behalf to try to stretch out your payments over a longer period of time.

Look in your area for agencies who offer to do this, and ask them what they would charge you for this service. Look under consumer credit counseling in the telephone book for places to call.

You can also call the Consumer Counseling Credit Service in Boston whose phone number is 426-6644.

89. Q. What information should I have so that I can pick a good financial advisor?

A. There are several things that you should do.

First, you should find out if the advisor is registered as a financial planner or an investment advisor with the Securities Division of the Secretary of State's Office.

If you find out they're not, I would suggest staying away from doing business with advisors who are not registered as the law requires.

Next, you should ask the advisor for written disclosure of 5 things; 1) experience; 2) credentials; 3) education; 4) a client list for reference sources; and 5) how they assess their fees and commissions.

90. Q. I recently lost my job. Is it possible to renegotiate my credit card and mortgage payments to avoid hurting my credit rating?

A. Your approach is right.

Many consumers might just stop paying their bills without notice to their creditors.

You may want to try to speak to each creditor, explain your situation, and see what type of payment plan they are willing to set up.

Remember, they are not under any legal obligation to change the terms of your payments.

If you are not successful on your own in the negotiations, you can contact the non-profit Consumer Credit Counseling Service in Boston.

They work with creditors to set up payment plans for consumers who run into credit problems.

HEALTH CLUBS

91. Q. I signed a one-year contract with Bally's Holiday Health Club, but now I developed a medical condition that prevents me from using my membership. Can I cancel?

A. The answer is yes, you can cancel under the provisions of the state health club law, if you have a medical condition disabling you for more than 3 months.

You must present Holiday with a valid doctor's letter describing your condition.

You might be interested to know that the Attorney General's Office filed suit against Holiday for failing to comply with the health club law.

We have heard complaints that despite a doctor's letter, Holiday would not cancel their membership.

If this happens to you, please file a complaint with the Office of the Attorney General.

92. Q. What recourse is there for a consumer who trains in a health club where all payments must be in the form of an electronic transfer, giving direct access to my checking account?

A. That practice is absolutely illegal. The Massachusetts electronic funds transfer law explicitly prohibits any seller from requiring a consumer to only use an electronic method of payment for goods and services. Certainly, payment by automatically taking money out of your checking account every month is a legal method of payment -- it just can't be the only means offered to you.

You should speak to the club manager, and indicate that state law prohibits their practice. If there is still a problem, contact the Attorney General's hotline.

CABLE INDUSTRY

93. Q. My cable company bills one month in advance and has just started charging a 5% late fee. How can payment be late when the service is not yet rendered?

A. Under state law, cable companies are allowed to impose a one-time late charge of not more than 5% of the balance due per billing period.

The cable company is not allowed to assess late charge unless:

1) the subscriber is delinquent;

2) the cable company has given the consumer a clear and conspicuous late charge notice;

3) and the consumer has been given at least 8 days from the date of delinquency to pay the balance due.

Also, cable companies cannot assess a late charge on the amount of a bill that is in dispute.

94. Q. Under the new cable regulations, can cable companies still collect security deposits?

A. Yes, they can. Security deposits are not addressed in the new cable regulations. Most cable companies do not charge deposits anymore, but some do and they have the right to do so.

95. Q. My cable company charged me to disconnect a channel from my service. Can they do that?

A. The short answer is yes they can. Cable companies are allowed to assess "downgrade charges" to delete a channel from your service.

However, these charges have to be based on the actual cost to the cable company.

So, if the cable company can disconnect from their office, the fee should be nominal, say less than $2.00.

If deleting the channel requires more work, such as a service call, the cable company can charge more.

You should ask your cable company how much it will cost before you instruct them to delete a channel.

HEALTH-RELATED PRACTICES

96. Q. If you go to an optometrist, can you take your prescription elsewhere?

A. Absolutely. You are under no obligation to have your glasses made at the place you had your eyes examined.

In fact, the optometrist is required to give you a copy of your prescription if you request it, so you can have your glasses made anywhere you like.

If your optometrist is giving you a problem, you can complain to the Division of Registration in Optometry in Boston -- that's the state agency which licenses optometrists.

97. Q. Can a hospital charge you for copies of your own medical records?

A. Yes they can. Individual hospitals have the right to establish their own billing policies for medical record copies. They are regulated by the Department of Public Health to charge a "reasonable" amount.

However, if you need to obtain a copy of your records from a private physician, then you are only obligated to pay $.25 a page or $20 per hour for clerical time, as defined by the Board of Registration for Medicine.

98. Q. Is there any control of how much hospitals can charge over usual and customary charges, which is what insurance companies pay?

A. Hospitals and doctors with whom Blue Cross has contracts agree to accept as full payment the "usual and customary charge", and the patient cannot be balance billed. This is true for doctors' charges if you are a Medicare patient with anyone's health insurance. Other than that, there are no price controls on the charges that a hospital can make.

99. Q. Does my health insurance company have to notify me before they can increase my premium?

A. The requirement of advance notice of premium increases is governed by the individual's insurance contract. There is no state law related to notice of premium increases.

In our view, however, notice should be reasonable and fair and anything less than 30 days would raise concerns.

100. Q. Is it illegal to be denied life insurance if I am disabled because of a back injury?

A. Life insurance companies can legally ask for a medical exam, and deny you coverage because you have medical conditions that it considers would shorten your normal life expectancy. They can also choose to charge higher fees for higher risk patients.

However, there are three exceptions for which a company cannot deny you life insurance: 1) mother's use of DES, 2) blindness, and 3) the sole reason of mental retardation.

You may want to do some shopping around to see if other companies also exclude you because of your condition. It's a competitive market -- there are lots of companies.

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